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HAY AND PASTURE OUTLOOK FOR 1936

The supply of hay for the 1935-36 feeding season is more than ample for the hay-consuming animals now on farms and should leave a normal carryover next spring. Total production is expected to be 89,037,000 tons as compared with an average of 80,384,000 tons for the five years 1928-32. The quantity of hay marketed in 1935-36 will probably be less than in 1934-35 because supplies are fairly well distributed. The quality of the crop, however, is below that for recent years because of heavy rains during harvest time. There will be a more-than-normal deficiency in certain counties in Texas, Oklahoma, Kansas, Colorado, Nebraska, and New Mexico where the drought continued during 1935.

The prospect of marketing hay from most surplus-producing areas is not promising because the hay acreage is approaching a self-sufficient basis in most States and former deficient areas may even have a surplus. The poor quality of much of the 1935 crop of hay indicates, however, that there will be a market outlet for the small quantity of high-grade hay available.

Hay Supplies

Total production, exclusive of straw, fodder, stover, etc., is expected to be 89,037,000 tons in 1935, which is more than 50 percent larger than the extremely small crop of 57,028,000 tons harvested in 1934. Large quantities of straw, stover, and other roughages are saved every year and exceptionally large quantities were used as emergency feed in the drought areas in 1934. The average production of hay for the five years 1928-32, inclusive, was 80,384,000 tons. The total supply of hay for the current crop year, including an estimated carryover on farms of 4,512,000 tons May 1, 1935 is 93,549,000 tons compared with the 1928-29 to 1932-33 average of 90,110,000 tons. The supply per hay consuming animal unit is larger than in recent years and about the same as the average for the five years 1928-29 to 1932-33 inclusive.

In the western drought area, hay production was extremely small in 1934, and in the 17 Western States disappearance of hay was larger than production in 1934 and probably larger than the production in 1933. In this group of States alfalfa acreage, as well as production, is still much below the 1928-32 average. On the other hand, alfalfa acreage has tended to increase in the 8 North Central States east of the Dakotas, Nebraska, and Kansas, and in the State of Kentucky, particularly in 1935. In this area clover acreage has been somewhat reduced during the same period. In the 13 States east of Ohio and north of North Carolina alfalfa has also increased but the hay crop in that area is still predominantly clover and timothy. In the eastern Cotton Belt, including Louisiana and Arkansas, hay acreage and production have increased substantially in recent years.

Quality and Demand

The total quantity of hay marketed from the crop of 1935 will be less than from that of 1934. The movement of forage during the emergency caused by the 1934 drought was greater than for any year since the period of the World War. The forage that was shipped into the drought area included hay, straw, and stover which came from such sources as the States west of the Rocky Mountains, Illinois, Tennessee,

and Kentucky, and from the Provinces of Canada. None of these States or Canada normally ship forage into the territory that comprised the 1934 drought area. Territory adjacent to the 1935 drought area has a surplus of forage which may be shipped into that area unless it is more economical to ship out the cattle than ship in the hay. Outside the 1935 drought area, except for a scattered shipping demand for high-grade hay, the market for hay will be largely limited to nearby stockyards, dairies near large cities, alfalfa mills, and retail feed stores.

There has been a steady decline in hay marketings because of an increased tendency on the part of farmers in deficit hay areas to produce their own feed and to a lessened demand because of a decline in the numbers of horses and mules. The seeding of the adjusted acres, under the adjustment program, to hay and pasture is likely to result in an expansion of acreage to those crops and a further decline in the commercial demand for hay, especially for medium and low-grade hay. An example of the increased tendency on the part of farmers to produce their own feed is found in the States of Kentucky, Tennessee, Georgia, Alabama, and Mississippi, where the 1935 production of both tame and wild hays indicated by the October 1 crop report was 3,919,000 tons. This is an increase of 291,000 tons over the 1934 production in these States and 474,000 tons larger than the five-year average, 1928-32.

The quality of hay produced in 1935 is considerably below that for recent years. Heavy rains at harvest time caused the majority of the crop to be damaged after cutting or delayed cutting until the hay became overripe. Most of the prairie hay is unusually weedy as a result of last year's drought, which reduced the stand of native grasses. Even in the surplus hay-producing sections, however, where the largest amount of damage occurred to hay produced in 1935 there is likely to be a good demand for high-grade hay. The large supply of low-grade hay in 1935, the limited market demand, and relatively low prices may result in greater-than-normal quantities of hay being fed on farms where produced.

Marketings of Hay

The decline in total hay marketings and the movement of hay directly from country points have brought about a steady decline in the volume of hay received at terminals. For example, the receipts of hay at Kansas City declined from 46,500 cars in 1920 to approximately 3,500 in 1933. There was a marked increase in the hay receipts at a number of markets during the winter of 1934-35 as a result of the drought. But the receipts at most of the terminals since July 1, 1935 have been almost negligible. Another cause of the reduction of hay receipts at larger markets has been the increased transportation of hay by truck which has encouraged the shipment directly from producing to consuming points. In some areas as much as 50 to 75 percent of the shipped hay is hauled by truck.

Imports of hay into the United States from July 1934 to June 1935 were approximately 86,000 tons. About 55,000 tons of this quantity came in duty free, under the President's proclamation which provided for the removal of the duty on hay imported for drought relief purposes. Imports of hay in 1935-36 are expected to be negligible.

Prices

Hay prices in 1934-35 advanced to the highest point since 1920-21. The drought of 1934, which extended over nearly three-fourths of the area of the United States, reduced the 1934 hay crop 29 percent below the 1928-32 average.

The utilization of increased quantities of roughage such as stover and straw, and other important drought relief measures tended to limit the price advances for hay. The mild winter of 1934-35 reduced hay requirements, while the wet spring with favorable midsummer weather produced more pasturage from temporary and permanent sources than in many years.

Alfalfa hay prices receded from $15.38 on December 15, 1934 to $8.10 on October 15, 1935. Alfalfa prices for the 1934-35 season were the highest since the World War, except for a few months in the latter part of the 1928-29 season when feed supplies were short. The 1935 record alfalfa crop and its below-average quality forced alfalfa hay prices on farms in many parts of the Central West to the level of clover and nearly down to the price for clover and timothy mixtures. The proportion of alfalfa hay increased from one-fourth of all tame hay production in the early 1920's to 37 percent in 1935. Although prices of alfalfa hay are relatively low compared with those for dairy cows, they are about average compared with butter prices.

Timothy and clover mixed declined from $16.01 on January 15, to $8.66 on October 15, with prices averaging close to $7.00 per ton in the West North Central States at the latter date. The 1934-35 prices of timothy hay were the highest since 1925-26 and 1926-27 when small crops of timothy were harvested. From a peak of $16.34, February 15, clover hay prices declined to $9.00 per ton on October 15. Prices for prairie hay declined relatively more than prices for other classes of hay, from an average farm price of $13.33 on April 15, the highest price since the war, to $5.81 per ton on October 15.

Hay Production Trends

The trend toward increased acreage of pasture and of hay and forage crops will probably continue. The 1936 crop adjustment contracts of the Agricultural Adjustment Administration encourage the use of the land that is retired from the production of basic commodity crops under contract, for the planting of soil-improving or erosion-preventing crops, and for pasture, fallow, forest trees, etc.

The increase in the use of improved pastures and properly cured roughage crops is being encouraged in order to achieve more economical production of meat, milk, and other animal products. The ample seed supplies of most pasture and meadow crops and lower prices for such seed should encourage much wider use by farmers in establishing new seedings of pastures and meadows during 1936.

The program of the Soil Conservation Service of the United States Department of Agriculture will encourage increased plantings of erosion-preventing crops adapted also to pasture and meadow use.

In the 1935 drought area the planting of emergency hay and forage crops will depend largely upon the rainfall that occurs during the winter and spring of 1935-36. If there is sufficient moisture in the soil at planting time in 1936, there are likely to be extensive plantings of Sudan grass, sorghums for forage, and quick-growing roughage crops and increased interest in improving the native range.

That part of the large soybean acreage in the Corn Belt utilized for hay and pasture may be somewhat curtailed in 1936. Continued extensive use of lespedeza in the southern Corn Belt and northern cotton States is anticipated.

Owing to the large number of cattle in the Southeastern States increased planting of pasture, hay, and forage crops will probably continue in 1936.

Pastures

The crop-control programs are undoubtedly encouraging increased acreage of permanent and semi-permanent pastures. The lessons learned in recent drought years will undoubtedly encourage better treatment of pastures and ranges and will probably lead to some improvement of them. Overgrazing was general in the drought area in 1934, but was relieved to some extent during the winter and spring of 1934-35 by a large amount of temporary grain pasturage and a reduction in numbers of livestock. Many permanent pastures that appeared to have been killed by the drought recovered considerably in the spring of 1935. Although, in general, ranges and permanent pastures were in poorer-than-average condition until early summer, they then improved rapidly and in late summer and early fall the condition of both farm pastures and ranges was generally reported much above 1934, and equal to or better than the ten-year average ending in 1932. On August 1, the condition of pastures was 109 percent of the 1923-32 average condition and on October 1 was about the same as the ten-year average for that date. On August 1, the condition of ranges in 17 western States was 105 percent of the 1923-32 average, and on October 1 was 103 percent of the ten-year average. The pasturage available in the summer of 1935 was, therefore, an important factor in the feed situation and was in marked contrast to the situation in 1934 when considerable summer feeding had to be done out of the current hay supply.

With ranges and pastures now in better-than-average condition, they should furnish a normal supply of feed at the beginning of the 1936 season and if normal weather occurs during the summer this favorable position should be maintained.

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